



The ACA: A transparent process with clear-cut financing

The process that led to the passage of the Affordable Care Act was one of the most transparent in our nation's history. The financing of the bill was one of the most oft-debated topics during the 2008 election and the public hearings and constituent town-hall meetings that preceded passage of the law.

The ACA had record numbers of hours of debate and amendments during Committee development of the legislation.

The House process spanned three committees – Energy and Commerce, Ways and Means, and Education and Labor – with dozens of hearings over many months.

- The House held 79 bipartisan hearings and markups on the health reform bill over the period of an entire year.
- House Members spent nearly 100 hours in hearings, heard from 181 witnesses from both sides of the aisle, considered 239 amendments (both Democratic and Republican), and accepted 121 amendments.

The Senate held dozens of public meetings and hearings in both the Finance and HELP Committees and accepted hundreds of Republican amendments.

- The HELP Committee held 14 bipartisan roundtables, 13 bipartisan hearings, and 20 bipartisan walkthroughs on health reform.
- The HELP Committee considered nearly 300 amendments and accepted more than 160 Republican amendments, including the following:
 - The Coburn amendment requiring members of Congress and their staff to enroll in the federal program created under the bill.
 - A bipartisan Gregg/Harkin/Enzi/Alexander/Dodd amendment that allows employers to give larger premium discounts to their employees for participating in wellness programs; and
 - A bipartisan Enzi/Hatch/Hagan amendment that creates an FDA approval process for biosimilar drugs.
- The Finance Committee held 17 roundtables, summits, and hearings on health reform. The Finance Committee also held 13 member meetings and walkthroughs and 38 meetings and negotiations for a total of 53 meetings on health reform. [Senate Finance Committee, [5/3/10](#)]

- The Finance Committee held a seven-day markup of the bill, the longest Finance Committee markup in 22 years, resulting in a bipartisan 14-to-9 vote to approve the bill. [Senate Finance Committee, [5/3/10](#)]
- The Finance Committee markup resulted in 41 amendments to revise the bill, including 18 by unanimous consent or without objection. [Senate Finance Committee, [10/13/09](#)]

The 11 Republican amendments accepted included the following:

- The Grassley/Bunning amendment to require Members of Congress and their staff to purchase coverage through the Exchanges;
- The Hatch amendment to “restore funding for abstinence education;” and
- The Ensign/Carper amendment to build efforts for wellness and encouraging longer lives.

When the bill came to the floor, the Senate spent 25 consecutive days in session on health reform, the second longest consecutive session in history. In total, the Senate spent more than 160 hours considering the health reform legislation.

The financing of the ACA’s coverage provisions was well known and debated

The individual mandate was always known as a revenue provision by penalizing individuals who failed to take personal responsibility for their health care costs by choosing to forego insurance coverage.

- The non-partisan Congressional Budget Office issued many reports on the Affordable Care Act’s financing, clearly showing that revenue would be raised by the personal responsibility provision, also known as the individual mandate or free-rider penalty, in every case that it described the law’s coverage provisions. The personal responsibility provision exists to ensure that insured Americans don’t pay more in premiums for the costs of uninsured Americans who eventually seek care. The cost of uncompensated care is estimated at more than \$50 billion a year, though studies show the Affordable Care Act is already projected to trim \$5.7 billion from that total in its first year of implementation. [CBO, [12/10](#); The Washington Post, [9/24/14](#); ASPE, [9/24/14](#)]
- CBO also wrote extensively about how a properly-functioning insurance market would work as designed under the ACA. The entire purpose of insurance is to balance out the risk of healthy and non-healthy enrollees; anyone who believes that this point was avoided during debate of the ACA was simply not paying attention to advocates of the law as they described it during the many public hearings the law received.

As CBO pointed out in a key report on how the ACA would impact premiums, some “provisions would tend to increase the premiums paid by healthier enrollees relative to those paid by less healthy enrollees.” CBO concluded that millions of Americans would benefit with lower premiums paid after subsidies; and, more recently, CBO has revised its estimates to say that premiums are actually 15 percent lower than its original estimates. [CBO, [11/30/09](#); Washington Post, [4/14/14](#)]